

Legacy Monitor

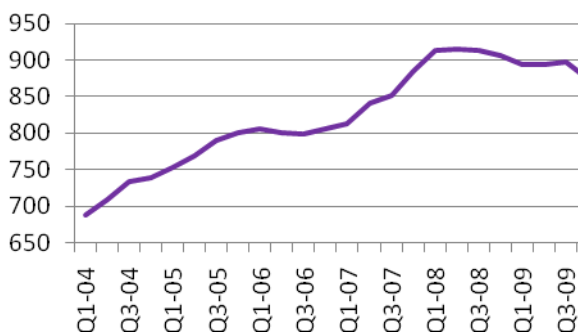
Data Bulletin – Q1 2010



- The legacy market is in the doldrums. In the mid-noughties our Consortium members were seeing legacy incomes grow by almost 6% pa. In Q1 2008 the market stalled, and has been slowly declining ever since.
- In the twelve months to December 2009, legacy income for our 42 Consortium members combined was £875m. In the year to December 2008 this figure was £906m – a fall of 3.4%, or £31m. Since our Consortium represents around 47% of the total legacy market, we estimate that £66m of legacy income has been lost to the sector overall in the past year.
- Residual bequest values – a key driver of legacy performance – continue to drop. In the twelve months to December 2009, average residual values fell by 5.5%. The average residual bequest is now worth £51,300 – that's £4,100 (or 7.5%) below the market peak in Q1 2008.
- Meanwhile, pecuniary (cash) legacy values have continued their gradual upward trend. Since 2003 they have been growing by 5% pa, and are worth around £3,500 today. When people write cash gifts into their wills, they think about what that money could buy *at that point in time*. Given that on average, people write their last will five and a half years before they die, pecuniary values lag behind the economic cycle.
- While the UK recession has officially ended, we're not expecting a speedy recovery in the legacy market. Legacy Foresight believes that legacy values will continue to fall through much of this year, and we will not see a return to pre-crunch levels until at least 2012.

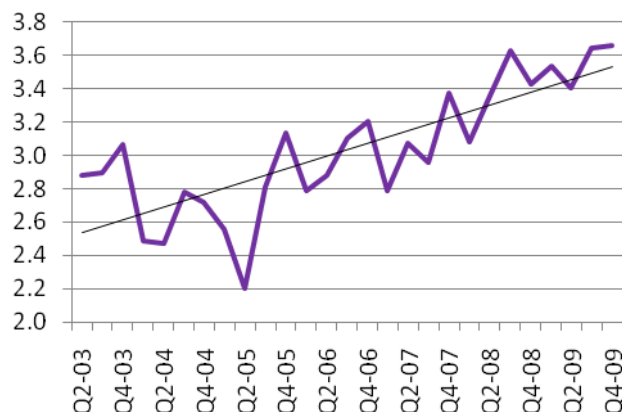
Legacy income (£m)

4 quarter moving total, Q1-04 – Q4-09



Average pecuniary values (£000)

4 quarter moving average, Q2-03 – Q4-09



More about Legacy Monitor

Legacy Monitor is a consortium research programme to analyse, benchmark and debate trends in the legacy market. Set up in 2008, it incorporates an annual 'audit' of trends in the legacy market, and a quarterly benchmarking service. This year's programme benchmarks 42 of the UK's leading charities, who together account for 47% of the legacies market. All client charities have agreed to share top-line legacy performance data with the sector, allowing considerable information and insight to be gained. The next quarterly data will become available in June 2010.

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